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CENTRAL INTELLIGENCE AGENCY

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50X1-HUM

It will no longer be possible to admit locomotives requiring tubes of those sizes to the workshops.

6. It is not thought likely that deliveries from Poland and Czechoslovakia of the materials in question can be expected at an early date. Hungary has, however, offered to repair German rolling stock, especially passenger coaches, and possibly also locomotives. Costs of Hungarian repairs, which appear to be reasonable, would be based on payment in dollars. Scrap iron would also be acceptable in lieu of dollar payment. Permission, however, must be obtained from General Kvashnin, head of the SNA Transport Division, for the German railroads to effect payment abroad by deliveries of scrap iron, in view of the material shortage in the Soviet Zone. On the other hand, the price estimates made by the Hungarians for any timber which would have to be delivered by Hungary are so high that the offer may be refused for that reason alone.

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